

**Comments – FCC Proposed Rulemaking  
Rural Health Care Universal Services Support Mechanism  
WC Docket No. 02-60  
February 23, 2004**

Submitted by Blue Cross of California Telemedicine Program  
Camarillo, California

**BACKGROUND:**

Blue Cross of California, the California operating division of Wellpoint Health Networks, Inc., administers a large, statewide Telemedicine Program. Blue Cross launched this first-of-its-kind rural telemedicine program in July 1999. The program was made possible through an initial \$1.8 million Rural Health Demonstration Project award that the Company received in October 1998. The initial award and subsequent grants totaling more than \$2.7 million were issued from the Managed Risk Medical Insurance Board (MRMIB) as part of the Healthy Families Program, the state-sponsored insurance program offering low-cost health, dental and vision coverage to children of low-income working families. Based on the grants awarded by MRMIB, the target populations for Blue Cross' Telemedicine Program encompasses not only rural Health Families Program members, but also rural Medi-Cal members throughout California.

The Blue Cross of California Telemedicine Program, in conjunction with key strategic partners throughout California, manages a network of more than 50 primary care sites and 5 specialty centers providing care and continuing medical education opportunities for 24 counties throughout California. We have witnessed improvements in access to care for our target populations and increased continuous medical education opportunities for our rural providers. In order to develop and sustain these programs, an available and affordable telecommunications

infrastructure is key. However, such infrastructure has been challenging for our network of sites to obtain and afford to maintain.

The Universal Service Program has been an important support mechanism for several of our locations to achieve their telecommunications objectives. While the full potential of the Universal Services Program has not yet been realized, the FCC's efforts to improve accessibility to the program are to be commended. Thank you again for this second opportunity to provide input on the proposed rulemaking from the perspective of an administrator for an extensive rural telemedicine program.

**REPLY COMMENTS:**

The Blue Cross of California Telemedicine Program recommends that the FCC consider the following in their definition of "rural" for the Rural Health Care Universal Services Program:

1.) Use Federally Applied, State Definitions of Rural:

While the use of a single, nation-wide definition may simplify the review process for the Universal Services Program, this single definition approach may inadvertently eliminate current recipients from being eligible as well as decrease the number of future applicants. The more comprehensive approach of accepting a federally applied, state definition of rural will meet the FCC's intent of improving accessibility to the program.

Federal definitions at a county level consistently underestimate the California's access challenges based on the size of our counties, the distribution of our population within these counties, and the diversity of topography impacting commute times within these counties. For example San Bernardino County, California encompasses more than 20,000 square miles from the outskirts of Los Angeles County to the Arizona and Nevada borders. Clearly communities in the eastern county face the rural access needs supported by Universal Services; however, they will be excluded based on several populous cities in the western portion of the county.

The Blue Cross of California Telemedicine Program recommends that the FCC recognize those definitions that have been set at a state level and accepted by a federal agency. Thus, with both the oversight and approval of a federal agency and the state's understanding of their own geography, topography, population densities, and commute times, the most comprehensive definition of rural can be applied. An example of this for California would be the Medical Service Study Areas (MSSAs) as defined by the California Healthcare Workforce Policy Commission and used by the Health Resources and Services Administration in determining federal designations for Health Professional Shortage Areas, Medically Underserved Areas and Medically Underserved Populations.

2.) Establish a Structured Review and Appeal Process:

If the FCC constrains itself to a single rural definition and thus, restricts the access of rural healthcare organizations to the Universal Services Program, the Blue Cross of

California Telemedicine Program recommends that the FCC adopt a review and appeal process. The appeal process would allow the organization to demonstrate their rural status in at least the following methods:

- Definition of rural as accepted or defined by another federal program.
- Definition of rural under a state-developed program that has been approved by a federal agency.
- Presentation of factors that would otherwise define the community as rural (i.e., geography, population density, topography, infrastructure development).

The appeal process should be simple in format and procedure with structured timelines for submission and review by Universal Services Administration so as to not delay decision-making.

The implementation of a review and appeal process would permit those rural healthcare organizations disenfranchised by a single rural definition a voice to demonstrate their eligibility for the Universal Service Program.

3.) Accept the Rural Status of Current Universal Services Fund Recipients:

Regardless of the definition accepted by the FCC for determination of eligibility for the Universal Services Program, the Blue Cross of California Telemedicine Program recommends that the FCC continue to recognize existing recipients as eligible. Such grandfathering will allow for continuity of access for these rural healthcare

organizations that have already demonstrated their need and are presently supporting their communities through the Universal Services Program.

**CONCLUSION:**

The Blue Cross of California Telemedicine Program has seen the benefits provided to our telemedicine network of providers through their ability to access the Rural Health Care Universal Services Program. We hope that the progress made and the on-going efforts of the FCC to improve accessibility to this worthwhile program will not be hampered by adoption of too narrow a definition of rural.

Our thanks for the opportunity to provide comment to your efforts.